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FEDERAL COMMUNICATIONS COMMISSION

[MB Docket No. 16-306; GN Docket No. 12-268; DA 17-106]

Incentive Auction Task Force and Media Bureau Announce Procedures for the Post-Incentive Auction Broadcast Transition

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: In this document, the Federal Communications Commission (Commission) addresses the transition of full power and Class A television stations to post-auction channel assignments in the reorganized television bands following the conclusion of the broadcast television spectrum incentive auction (Auction 1000), summarizes and clarifies the process established in the Incentive Auction Report and Order and further developed in subsequent decisions.

DATES: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

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SUPPLEMENTARY INFORMATION: This is a summary of the Commission's document, DA 17-106; MB Docket No. 16-306; GN Docket No. 12-268, released January 27, 2017. The complete text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY-A257, 445 12th Street SW., Washington, D.C. 20554, or online at http://transition.fcc.gov/Daily_Releases/Daily_Business/2017/db0127/DA-17-106A1.pdf.

The document DA 17-106 provides detailed information, instructions, and projected deadlines for filing applications related to the post-incentive auction broadcast transition. It includes details about the requirement that all stations assigned a new channel as a result of the incentive auction submit an application for construction permit for their post-auction channel, as well as the procedures by which winning reverse auction bidders must relinquish their spectrum usage rights. It also sets forth the process by which eligible television stations can seek reimbursement of certain costs incurred in relocating to new channels and Multichannel Video Programming Distributors (MVPDs) for certain costs incurred in order to continue to carry the signals of relocating television stations. Additionally, this Public Notice includes an Appendix with instructions for filing in the Commission's Licensing and Management System (LMS) the applications required to effectuate this transition.

The document DA 17-106 provides broadcasters and other entities involved in the transition with information, instructions, and projected deadlines for filing applications related to the transition based on the following categories to which the broadcaster or entity belongs:

- **Reassigned Station:** A full power or Class A station that was protected during the repacking process and involuntarily assigned to a new channel in one of the reorganized broadcast television bands. This category includes every station involuntarily assigned to a new channel including those that did not apply to bid in Auction 1001, those that applied and did not bid, and those that bid, but exited.
- **Band Changing Station:** A station with a winning bid to move to the low or high very-high frequency (VHF) band.
- **Non-Reassigned Station With Population Loss In Excess of One Percent:** A station that was not reassigned to a new channel but was entitled to protection in the

repacking process and is predicted to experience a loss in population served in excess of one percent because of new station-to-station interference.

- **Displaced Class A Station:** A Class A station that was not protected during the repacking process and is consequently displaced as a result of the repacking.
- **License Relinquishment Station:** A station with a winning bid to go off air that will relinquish its spectrum usage rights and cease broadcasting.
- **Channel Sharing Station:** Includes both a station with a winning bid to go off air that intends to relinquish spectrum usage rights on its current channel in order to share a channel (the sharee), as well as the station with which it will share following the incentive auction (the sharer).
- **MVPDs:** Multichannel Video Programming Distributors that reasonably incur costs in order to continue to carry the signals of stations relocating to new channels as a result of the incentive auction and that are eligible for reimbursement.

LPTV, TV translator, and digital replacement translator stations were not eligible to participate in the incentive auction, are not protected in the repacking process, are not eligible for reimbursement, and are not included in the phased transition schedule. Some of these facilities will be displaced as a result of the repacking process. Such a displaced station will have the opportunity to file an application for a construction permit to move to another channel or seek to channel share with another LPTV or TV translator station. The Media Bureau will issue a public notice listing potential channels in all areas in which LPTV or TV translator stations are displaced not less than 60 days in advance of the filing window for displacement applications. A separate public notice will outline the requirements and approximate timeline for the filing of applications for such displaced stations.

Some of the post auction transition-related deadlines set forth in the Commission's rules, such as the deadline for filing an application for a construction permit for post-auction channel facilities, are referred to in months. For the sake of clarity and to provide greater ease of calculation, the Media Bureau instead refers to such deadlines in days. For example, a "3-month" deadline will be referred to as a "90-day" deadline.

Reassigned Stations, Band Changing Stations, Non-Reassigned Stations with Excess

Population Loss, and Displaced Class A Stations

Construction Permit Application Process for Reassigned Stations and Band Changing Stations. All reassigned stations and band changing stations must electronically file applications for construction permits to build their post-auction channel facilities via the Commission's LMS no later than 90 days after the release date of the Closing and Reassignment Public Notice. The instructions for filing FCC Form 2100 - Schedule A (full power stations) and Schedule E (Class A stations) are included in Appendix A. Applications must propose modified facilities consistent with the technical parameters set forth in the Closing and Reassignment Public Notice except as set forth below. These applications, including those that propose permissible contour extensions, as discussed immediately below, will be considered minor change applications and exempt from filing fees. Although they have up to 90 days to do so, stations should file their applications as early as possible following the release of the Closing and Reassignment Public Notice. The earlier that stations submit their applications, the quicker the Media Bureau will be able to process them and authorize construction.

Flexibility to Expand Contour Coverage in Applications Filed During the Initial 90-Day Window. The Commission has provided limited flexibility for reassigned stations and band changing stations to request in their initial construction permit applications transmission facilities

that will extend their post-auction coverage contour beyond the technical parameters specified in the Closing and Reassignment Public Notice.

Reassigned Stations. A reassigned station may propose transmission facilities in its initial construction permit application that will extend its coverage contour if such facilities: (1) are necessary to achieve the coverage contour specified in the Closing and Reassignment Public Notice or to address loss of coverage area resulting from its post-auction channel assignment; (2) will not extend a full power station's noise limited contour or a Class A station's protected contour by more than one percent in any direction; and (3) will not cause new interference beyond 0.5 percent to the technical parameters of any other station based on the parameters specified in the Closing and Reassignment Public Notice.

Band Changing Stations. Band changing stations may specify transmission facilities that would result in a larger coverage contour than that resulting from the technical parameters specified in the Closing and Reassignment Public Notice, so long as the proposed facility will not cause new interference beyond a rounding tolerance of 0.5 percent to any other station. Such stations are not limited to the one percent contour increase restriction applicable to reassigned stations.

Applications that Qualify for Expedited Processing. In order to expedite the transition, the Commission provided for expedited processing by the Media Bureau of a construction permit application that: (1) does not seek to expand the coverage area, as defined by the technical parameters specified in the Closing and Reassignment Public Notice, in any direction; (2) seeks authorization for facilities that are no more than five percent smaller than those specified in the Closing and Reassignment Public Notice with respect to predicted population served; and (3) is

filed within the 90-day deadline. The Media Bureau expects to process applications meeting all three of these requirements within 10 business days of filing.

Incomplete or Defective Applications. A station that files an application during the initial 90-day window that is incomplete or defective will be contacted and afforded an opportunity to submit an amendment via LMS to cure any defects. Failure to cure a defect will result in dismissal of the application. A station whose application is dismissed must file a new application within 15 calendar days of dismissal and pay the requisite filing fee. A station that files an amendment to cure its pending application or re-files its application will nonetheless be required to meet its assigned construction deadline.

Minor Amendments and Modifications. A station may submit requests for minor amendments to pending applications or minor modifications to construction permits at any time so long as the proposed facility meets the technical parameters identified in the Closing and Reassignment Public Notice or the allowable variance discussed herein. Applicants must file amendments to pending applications and applications for minor modifications of construction permits electronically via LMS by following the instructions in Appendix A.

Requests for Waiver of Construction Permit Filing Deadline. Reassigned stations and band changing stations that determine they are unable to construct facilities that meet the technical parameters specified in the Closing and Reassignment Public Notice within the permissible contour coverage variance discussed herein, as well as stations unable to meet the 90-day filing deadline, may seek a waiver of the deadline. For stations unable to construct, requests for waiver of the 90-day filing deadline must be filed no later than 30 days prior to the deadline. Stations must submit their waiver requests in the form of a request for a legal STA via LMS, in accordance with the instructions contained in Appendix A. Stations should also send an

electronic copy of the request via email to: IATransitionlicensing@fcc.gov. The staff will notify each requesting station of the grant or denial of a waiver. A station whose request is denied must submit its application no later than the 90-day deadline. Failure to do so may result in the imposition of a forfeiture or other sanctions.

The Media Bureau will look most favorably on requests demonstrating that, due to extraordinary technical or legal issues beyond the station's control, it is impossible to construct the facility specified in the Closing and Reassignment Public Notice. This could occur, for example, if a station is unable to construct a compliant facility on its current tower and a replacement tower cannot be constructed from which the station would be able to meet the specified technical parameters. A station granted a waiver under this "unable to construct" standard will be allowed to file an application for a construction permit for an alternate channel or expanded facilities during the first priority filing window described below.

We emphasize that any station that is granted a waiver of the construction permit application deadline nonetheless will be required to meet its construction deadline.

Alternate Channel/Expanded Facilities Filing Windows. After the staff substantially completes its processing of the construction permit applications filed during the initial 90-day window, the Media Bureau will issue public notices announcing two, 30-day filing windows for stations to seek alternate channels and/or expanded facilities from those set forth in the Closing and Reassignment Public Notice. These filing windows will run consecutively, with a brief period in between. Filings in the first "priority" filing window will be limited to: (1) reassigned stations and band changing stations "unable to construct" facilities that meet the technical parameters specified in the Closing and Reassignment Public Notice; (2) any reassigned station, band changing station, or non-reassigned station entitled to protection in the repacking process

that is predicted to experience a loss in population served in excess of one percent as a result of the repacking process; and (3) Class A stations that did not receive protection in the repacking process and were displaced during the repacking process. All other reassigned stations and band changing stations will have an opportunity to file in the second window.

Expanded Facilities and Alternate Channel Proposal Requirements

Expanded Facilities. All applications for expanded facilities will be limited to those that would be considered a minor change under the Commission's rules, i.e., that propose a change in height above average terrain, effective radiated power, antenna pattern, or transmitter location. Reassigned stations that seek to extend their contours beyond one percent in any direction from the contour defined by the technical parameters specified in the Closing and Reassignment Public Notice must file applications for expanded facilities.

Alternate Channels. An application for an alternate channel will be considered a major change application and thus will be subject to the local public notice requirements of section 73.3580 of the Commission's rules and a 30-day period for the filing of petitions to deny prior to grant. Band changing stations may not apply for alternate channels outside of their post-auction bands. Reassigned stations are not similarly limited and may apply for any channel in the reorganized television band.

First Priority Window Timing and Eligibility

Timing. The Media Bureau anticipates opening the first priority window approximately 120 days after the release of the Closing and Reassignment Public Notice. Applicants in the first priority window must protect the construction permit facilities of reassigned stations and band changing stations filed in the initial 90-day window if those stations' applications have been granted or remain pending. Otherwise, applicants in the first priority window must protect

the facilities specified in the Closing and Reassignment Public Notice. In addition, all applications filed in the first priority window must protect the facilities specified in applications filed before the April 2013 freeze with “cut-off” protection. The facilities proposed in applications filed during the first priority window will be entitled to interference protection from subsequently filed applications and amendments thereto.

Eligibility - Stations Unable to Construct. Reassigned stations or band changing stations that receive a waiver of the 90-day filing deadline based on a demonstration that they are “unable to construct” may file for an alternate channel and/or expanded facilities in the first priority window. Such stations must submit their applications via LMS using either FCC Form 2100 – Schedule A (full power stations) or Schedule E (Class A stations) in accordance with the procedures outlined in Appendix A. Because these applications will constitute these stations’ initial applications for construction permits, the applications will not be subject to a filing fee.

Stations with Excess Aggregate Interference and/or Terrain Loss. A reassigned station or band changing station that demonstrates that it is predicted to experience a loss in population served in excess of one percent as a result of its channel assignment specified in the Closing and Reassignment Public Notice, either because of new aggregate station-to-station interference or terrain loss (or a combination of both), may propose expanded facilities or an alternate channel by filing an amendment to the application it filed by the initial 90-day filing deadline or, if the application has been granted, by filing an application to modify its construction permit. The station’s filing must include an exhibit demonstrating the predicted population loss. Such stations must electronically submit an application for modification of their construction permit via LMS using either FCC Form 2100 – Schedule A (full power stations) or Schedule E (Class A

stations), or an amendment to their pending application by following the procedures outlined in Appendix A. These applications will be subject to a filing fee.

Non-Reassigned Stations with Excess Population Loss. Stations not reassigned to new post-auction channels but that were entitled to protection in the repacking process and are predicted to experience a loss in population served in excess of one percent because of new station-to-station interference may submit a construction permit application proposing expanded facilities or an alternate channel and demonstrating the predicted population loss. Applications must be filed via LMS using FCC Form 2100 – Schedule A (full power stations) or Schedule E (Class A stations). These applications will be subject to a filing fee. In addition, the costs incurred by non-reassigned stations to construct alternate channels or expanded facilities will not be reimbursable from the Reimbursement Fund.

Displaced Class A Stations. Any Class A station that was not protected in the repacking process may file a displacement application in the first priority window. The station must electronically file a displacement application via LMS using FCC Form 2100 – Schedule E, in accordance with the instructions contained in Appendix A. The application must specify a new channel or other modification that would comply with the interference and technical rules. The proposed facility must also comply with Section 336(f)(7)(B) of the Communications Act, which prevents the Commission from approving a modification of a Class A license, “unless the . . . licensee shows” that its proposal would not cause interference to a LPTV facility or translator facilities authorized or proposed before “the application for . . . modification of such a license . . . was filed.” We note that costs associated with constructing any Class A displacement facilities will not be eligible for reimbursement from the Reimbursement Fund.

Second Window Timing and Requirements. During the second window, any reassigned station or band changing station may file an amendment to its initial construction permit application, if still pending, or a modification to its construction permit, if granted, to seek an alternate channel or expanded facility from that specified in the Closing and Reassignment Public Notice. The Media Bureau anticipates opening this window approximately 14 to 30 days after the close of the first priority filing window. All of the applications and amendments filed during the second window must protect the facilities proposed in the first priority window, and will be entitled to interference protection from subsequently-filed amendments and modification applications filed after the close of the second window. Applicants in the second window must also protect the construction permit facilities of reassigned stations and band changing stations filed in the initial 90-day window if those stations' applications have been granted or remain pending. Otherwise, applicants in the second window must protect the facilities specified in the Channel and Reassignment Public Notice. In addition, all applications filed in the second window must protect applications that were filed before the April 2013 freeze and have "cut-off" protection. Applications and amendments filed in the second window will be subject to the applicable filing fees.

Cut-Off Protection and Mutually Exclusive (MX) Applications. Applications filed during either the first priority window or second window will be treated as filed on the last day of that window for purposes of determining mutual exclusivity. Stations filing applications during either window that are determined to be MX with another application filed in the same window will be notified and will be given a 90-day period to resolve the MX by proposing a technical solution or settlement in an amendment to their pending applications.

Incomplete or Defective Applications. A station that files an application for a construction permit during either the first priority window or second window that is incomplete or defective will be contacted and afforded an opportunity to submit an amendment via LMS to cure any defects. Failure to correct any defect will result in dismissal of the application. If either an application filed during the first priority window by: (1) a station that was unable to construct the facilities specified in the Closing and Reassignment Public Notice or (2) a displaced Class A station is dismissed then the station must file a new application within 15 days of dismissal and pay the requisite filing fee. All other applications filed in the windows that are dismissed may not be re-filed until the Media Bureau lifts the freeze on the filing of minor change applications.

International Coordination. Applications filed by reassigned stations and band changing stations to implement their post-auction channel facilities must adhere to technical parameters included in any coordinated arrangements between the Commission and the Canadian and Mexican regulatory agencies. Applications in the U.S.-Mexico border zone may not require additional coordination if they do not expand the noise-limited contour beyond the range of post-auction technical parameters negotiated with Mexico. Applications in the U.S.-Canada border zone may not require additional coordination if they do not expand the noise-limited contour by more than one percent in any direction beyond that predicted by the technical parameters listed in the Closing and Reassignment Public Notice, provided that the proposed facilities would not cause more than 0.5 percent new station-to-station interference to Canadian assignments or allotments. Applications for alternate channels or expanded facilities beyond these limits may require international coordination to assess potential cross-border interference and the potential impact on the construction deadline phases.

Transition Phases and Phase Completion Dates. In the Transition Scheduling Adoption Public Notice, the Media Bureau, in consultation with IA Task Force, WTB, and the Office of Engineering and Technology, has announced its plan to adopt a phased transition schedule for reassigned stations and band changing stations. Under the approach, stations will be assigned to one of ten transition phases with sequential testing periods and phase completion dates. The transition phases and phase completion dates will be announced in the Closing and Reassignment Public Notice. The phase completion date, which will be the station's construction deadline as assigned by the Media Bureau, will be the last day that a station may operate on its pre-auction channel absent the grant of an STA. Any such STA will be granted only in very limited circumstances and will not extend beyond the end of the transition period. To the extent that the Media Bureau denies a request for a station to continue operating on its pre-auction channel past its construction permit deadline, the Media Bureau noted that stations can explore a variety of options to assist with their post-auction transitions, including the use of temporary channels and interim or auxiliary facilities.

Extensions of Time to Construct Post-Auction Channel Facilities and Tolling. Reassigned stations and band changing stations that are unable to complete construction of their post-auction channel facilities by their deadlines may seek a single extension of up to 180 days. Stations anticipating the need for an extension must submit an extension application electronically via LMS on FCC Form 2100 – Schedule 337, not less than 90 days before their deadlines.

An application for extension of time to construct must include an exhibit demonstrating that, despite all reasonable efforts, the station is unable to complete construction of its new facility on time due to circumstances that were either unforeseeable or beyond its control. To

illustrate, the following circumstances might justify an extension of a station's construction deadline: (1) weather-related delays; (2) delays in construction due to the unavailability of equipment or a tower crew; (3) tower lease disputes; (4) unusual technical challenges; or (5) delays caused by the need to obtain government approvals, such as land use or zoning approvals, or to observe competitive bidding requirements prior to purchasing equipment or services.

Additionally, in limited circumstances, stations may rely on "financial hardship" as a criterion for seeking an extension of time. Such circumstances may include a situation in which a station is subject to an active bankruptcy or receivership proceeding. In such a case, the station must show that it has filed requests to proceed with construction of the post-auction facility in the relevant court proceeding. A station requesting an extension of time based on financial hardship that is not in a bankruptcy or receivership proceeding must demonstrate that additional time is warranted due to rare and exceptional financial circumstances that were unforeseeable or beyond its control, and that it made all reasonable efforts to resolve those issues.

The Media Bureau reminds stations that additional time to construct beyond the 180-day extended deadline may only be sought pursuant to the Commission's strict "tolling" rule. The tolling rule provides that a construction permit deadline may be tolled only for specific circumstances not under the licensee's control, such as acts of God or delays due to administrative or judicial review. Stations must electronically file tolling requests via LMS, in accordance with the instructions in Appendix A. Stations may also seek a waiver of the tolling rule to receive additional time to construct in the case where "rare or exceptional circumstances" prevent construction, following the instructions for requesting tolling in Appendix A. Stations should send an electronic copy of all tolling requests and tolling waivers via email to: IATransitionlicensing@fcc.gov.

The Media Bureau reminds stations that it has also announced that, prior to grant, it will evaluate all extension applications to determine whether grant will delay or disrupt the post-auction transition schedule.

Absent the grant of an STA, a reassigned station or a band changing station must cease operating on its pre-auction channel by its construction permit deadline even if construction of the station's post-auction channel facility is not complete. Grant of an extension of time to construct a station's post-auction channel facility will not extend the time during which the licensee may operate on its pre-auction channel.

Additional Flexibility. In order to facilitate timely construction of new facilities and to minimize any time broadcasters may be off the air, reassigned stations and band changing stations may request an STA to operate with temporary facilities while they complete construction of their post-auction channel facilities. The Media Bureau clarifies that all requests for an STA must be filed electronically via LMS and, for commercial stations, will require payment of a filing fee. Instructions for filing via LMS are contained in Appendix A. All STAs for temporary facilities granted in connection with the post-auction transition will be for a maximum of 180 days. In addition, the Media Bureau reserves the right to modify or cancel an STA at any time, without prior notice, at its sole discretion.

To illustrate, examples of potential temporary facilities could include: a station operating on its assigned post-auction channel with parameters at variance from its post-auction construction permit; operating from a temporary antenna; operating on a temporary channel, including for a short period of time on a channel relinquished by a reverse auction winner; and the temporary joint use of a channel. Stations also may request an STA to continue to operate on their pre-auction channels beyond their phase completion deadlines. The Media Bureau will

examine all such requests to determine whether they would serve the public interest, and will require that all temporary authorizations not cause impermissible interference to other broadcast or wireless licensees. In addition, the Media Bureau reminds stations that it has announced that it will evaluate all STA requests to determine whether grant would delay or disrupt the post-auction transition schedule. It will not grant an STA that would authorize a station to operate on its pre-auction channel beyond the end of the 39-month transition period.

Silent Authority and Section 312(g) of the Communications Act. The Media Bureau recognizes that, in order to successfully complete the transition to its post-auction channel, a reassigned station or band changing station may need to temporarily suspend operations or “go silent.” The Media Bureau reminds stations that the rules provide that a station may suspend operations for a period of not more than 30 days absent specific authority from the Commission. Stations that remain silent for more than 10 days must notify the Commission not later than the tenth day of their suspended operations by filing a Suspension of Operations Notification via LMS as outlined in Appendix A. Stations that need to remain silent for more than 30 days must file a Silent STA via LMS as outlined in Appendix A, and pay the requisite fee.

The Media Bureau also reminds stations that the license of any station that remains silent for any consecutive 12-month period expires automatically at the end of that period, by operation of law, except that the Commission can extend or reinstate such a license “to promote equity and fairness.” A station that remains silent for any consecutive 12-month period may request an extension or reinstatement of its license and a waiver of the pertinent Commission rules by filing a written request with the Commission. In considering such requests, we will examine whether the station has demonstrated that its silence is the result of compelling reasons beyond the station’s control, including facts that relate to the post-auction transition process.

Completion of Transition to Post-Auction Channel

Discontinuation of Operations on Pre-Auction Channels - Notice to Viewers. Reassigned stations and band changing stations must air notifications alerting viewers prior to transitioning to their post-auction channels. At a minimum, these stations must air either 60 seconds of on-air consumer education public service announcements (PSAs) or 60 seconds of crawls per day for 30 days prior to termination of operations on their pre-auction channels. Stations will have the discretion to choose the timeslots for these PSAs or crawls. Transition PSAs and crawls must conform to the requirements set forth in the Commission's rules. Stations must include a certification that they have complied with the viewer notification requirements in their online public file within 30 days after beginning operation on their post-auction channel.

Notice to MVPDs. Before a reassigned station or band changing station moves to its post-auction channel, it must provide notice to MVPDs that currently carry the station and will continue to be obligated to carry the station. The required notice must be provided in the form of a letter notification, and must include the following information: (1) the date and time of any channel change; (2) the pre-auction and post-auction channel assignments; (3) the modification, if any, to the antenna position, location, or power levels; and (4) the engineering staff's contact information. Should any of this information change during the station's transition, an amended notification must be sent to MVPDs in the same form as the original notice. For cable systems, the letter must be addressed to the system's official address of record provided in the cable system's most recent filing in the Cable Operations and Licensing System ("COALS") Form 322. For all other MVPDs, the letter must be addressed to the official corporate address registered with the MVPD's state of incorporation. The notification must be sent not less than 90 days prior to the station's transition to its post-auction channel. Should a station's

anticipated transition date change due to an unforeseen delay or change in its transition plan, the station must send further notices to affected MVPDs informing them of the new anticipated transition date. Where COALS includes an email address with the official address of record the letter may be sent electronically. Where the official corporate address registered with the MVPD's state of incorporation includes a form of electronic communication the letter may be sent electronically.

Commencement of Operation on Post-Auction Channel. Within 10 days after commencement of program test authority, a licensee must submit an application for license on its post-auction channel. Applications for license must be filed electronically via LMS using FCC Form 2100 – Schedule B (full power) and Schedule F (Class A). Commercial stations will be required to pay the requisite filing fee. Instructions for filing via LMS are contained in Appendix A.

License Relinquishment Stations and Channel Sharing Stations

Payments to Reverse Auction Winning Bidders. The Media Bureau will release a separate public notice informing winning bidders of the process for receiving auction proceeds at a later date. That public notice will advise winning bidders about the process for providing instructions to the Commission for payments, including providing banking information and necessary certifications. As previously stated, though providing a precise timetable is not feasible, the Commission will share auction proceeds with broadcast licensees relinquishing spectrum usage rights as soon as practicable following the successful conclusion of the incentive auction. The forthcoming public notice will detail the steps that a winning reverse auction licensee must take before auction proceeds can be disbursed once they become available. In particular, the public notice will detail the form that winning reverse auction bidders will use to

submit payment information, as well as processes for validating the information prior to the disbursement of any payments. As described in a prior public notice, a winning bidder may provide instructions for payments to an account owned by a third-party.

As a step prior to beginning this process, a representative from an entity that expects to receive a payment from the FCC for a winning reverse auction bid must have logged in to the updated Commission Registration System (CORES) (<https://apps.fcc.gov/cores>) and set up a username and password. Detailed instructions on how to register for an FCC Username Account can be found at: https://apps.fcc.gov/cores/html/Register_New_Account.htm. For additional information, please contact the Updated CORES System hotline at 202-418-4120 or CoresPilot@fcc.gov.

License Relinquishment Transition Process

Discontinuation of Operations. A license relinquishment station must discontinue operations within 90 days after receiving its share of auction proceeds.” A station needing additional time to discontinue operations on its pre-auction channel may submit a waiver request demonstrating “good cause” pursuant to Section 1.3 of the Commission’s rules. The Media Bureau anticipates that requests for additional time beyond 90 days are unlikely to meet our waiver standard. No license relinquishment station will be granted a waiver that would extend its deadline to discontinue operations beyond the end of the 39-month transition period. The Media Bureau reminds stations that it has announced that, prior to granting a waiver request, it will evaluate all requests to extend the deadline to discontinue operations to determine whether the grant would delay or disrupt the post-auction transition schedule.

A station should file such a request as soon as it becomes apparent that it requires additional time to terminate operations on its pre-auction channel. A waiver request must be

filed electronically via LMS as a request for a legal STA, include the requisite fee, provide the above-described waiver showing, and include a proposed discontinuation date. A copy of the request should also be e-mailed to IATransitionlicensing@fcc.gov. Instructions for filing via LMS are contained in Appendix A.

Suspension and Discontinuance Notices to Commission. A license relinquishment station must notify the Commission at least two days prior to discontinuation of operations on its pre-auction channel. Instructions for filing a Suspension of Operations Notification via LMS are contained in Appendix A. As soon as possible following the discontinuation of operations on its pre-auction channel, a license relinquishment station must also submit a Request to Cancel License via LMS, as outlined in Appendix A, which will serve as the station's request for cancellation of its pre-auction channel license. Both notifications should be e-mailed to: IATransitionlicensing@fcc.gov. There is no fee for these two filings.

Notice to Viewers. Prior to termination of operations, relinquishment stations must air notifications to alert their viewers that they will discontinue service. Stations that operate on a commercial basis will be required to air a mix of PSAs and crawls. Such stations must air at least one transition PSA and run at least one transition crawl in every quarter of every day for 30 days prior to the date on which the station terminates operations on its pre-auction channel. One of the required PSAs and one of the required crawls must be run during primetime hours each day. Crawls must run during programming for no less than 60 consecutive seconds across the bottom or top of the viewing area and be provided in the same language as a majority of the programming carried by the station. Although stations have the flexibility to design the text of their crawls, they must include the date on which the station will terminate operations on its pre-auction channel, and explain how viewers may obtain more information by telephone or online.

PSAs must have a duration of at least 15 seconds, be provided in the same language as a majority of the programs carried by the station and provide, at a minimum, the same information as required for crawls. In addition, transition PSAs must be closed-captioned. Stations are encouraged to include any other details about their discontinuation of operations that they believe to be important in their notifications, and stations may air additional notifications that they deem beneficial to their viewers.

Noncommercial educational (NCE) full power television license relinquishment stations may choose to comply with notification requirements either through the framework set forth in the preceding paragraph or by airing 60 seconds of on-air consumer education PSAs each day for 30 days prior to termination of operations on their pre-auction channel. NCE stations choosing the alternate plan will have the discretion to choose the timeslots for these PSAs. The NCE transition PSAs must include the same information as noted above for commercial stations and must be closed-captioned.

A license relinquishment station must include a certification of compliance with the notice requirements in its Suspension of Operations Notification.

Notice to MVPDs. A license relinquishment station must provide notice to each affected MVPD that the MVPD will no longer be required to carry the station because it will cease operations. The required notice must be provided in the form of a letter and must include the date and time of the planned termination of operations. For cable systems, the letter must be addressed to the system's official address of record provided in the cable system's most recent filing in the COALS Form 322. For all other MVPDs, the letter must be addressed to the official corporate address registered with the MVPD's state of incorporation. The notification must be sent not less than 30 days prior to terminating operations. Should a station's anticipated

termination date change due to an unforeseen delay or change in transition plan, the station must send a further notice to affected MVPDs informing them of the new anticipated termination date. Where COALS includes an email address with the official address of record the letter may be sent electronically. Where the official corporate address registered with the MVPD's state of incorporation includes a form of electronic communication the letter may be sent electronically.

Channel Sharing Station Transition Process. A channel sharing station must implement shared channel operations, and a sharee station must discontinue operations on its pre-auction channel within 180 days after the sharee receives its share of auction proceeds.

Application for Construction Permit. Where a sharer station remains on its pre-auction channel, the sharee must file an application for construction permit via LMS using FCC Form 2100 Schedule A (full power) or Schedule E (Class A) no later than 60 days prior to its deadline for discontinuing operations on its pre-auction channel, which, absent any extension, is no later than 120 days after the sharee receives its share of auction proceeds. The applicant must pay the requisite filing fee. The application must specify the same technical facilities as the sharer station and include an executed copy of the Channel Sharing Agreement (CSA). Instructions for completing this form can be found in Appendix A. The timing of this filing requirement is the same regardless of whether the parties have a pre- or post-auction CSA. Therefore, a sharee that indicated in its FCC Form 177 application to participate in the reverse auction the intent to enter into a post-auction CSA must enter into a CSA and submit its minor change application no later than 120 days after it receives its share of the auction proceeds.

In the event that the sharer station is a reassigned station or band changing station, then it must follow the procedures outlined for Reassigned Stations and Band Changing Stations to implement the move to its new channel, including submitting an application for construction

permit specifying its post-auction channel facilities no later than the initial 90-day filing deadline for initial construction permit applications. If the sharer has, or is expected to, transition to its new channel by the deadline on which the sharee must submit its application for construction permit (i.e., no later than 120 days after it receives its share of the auction proceeds), then the sharee's application should specify the sharer's post-auction channel facility. In the event that the sharee's deadline by which it must discontinue operations on its pre-auction channel (i.e., no later than 180 days after it receives its share of the auction proceeds), is expected to occur before the sharer has transitioned to its new channel, however, the sharee should file an application for a construction permit specifying the sharer's pre-transition channel. Not less than 60 days prior to the sharer's phase construction deadline, the sharee must then file a minor change application for a construction permit for the sharer's post-auction channel. Sharee applications for construction permits will be considered minor changes and will be subject to filing fees.

If a sharee needs additional time to submit its application for a construction permit, then it may request a waiver of the construction permit filing deadline. Waivers must be filed as a request for legal STA via LMS following the instructions provided in Appendix A and include payment of the requisite filing fee. Such waivers must provide a "good cause" showing pursuant to section 1.3 of the Commission's rules and, specify the date by which the sharee anticipates filing its construction permit application. Stations should also e-mail a copy of their waiver request to: IATransitionlicensing@fcc.gov. In order to provide the staff with sufficient time to process the waiver request, and for stations to make arrangements to meet the deadline if the waiver is denied, stations are urged to file no later than 30 days prior to the deadline for filing their application for a construction permit, which, absent an extension, is no later than 120 days after it receives its share of auction proceeds.

Suspension of Operations Notice to Commission. Sharees must notify the Commission at least two days prior to discontinuation of operations on their pre-auction channels by filing a Suspension of Operations Notification via LMS as outlined Appendix A. There is no fee for this filing. This notification also should be emailed to IATransitionlicensing@fcc.gov.

Commencement of Operation on Shared Channel. When implementation is complete and within 10 days of commencement of operation of the shared facilities on program test authority, both sharer and sharee must submit applications for license on FCC Form 2100 – Schedule B (full power stations) and Schedule F (Class A stations) via LMS following the instructions in Appendix A. This process may need to be completed twice if the sharer becomes a reassigned station and the sharee decides to share the sharer's pre-auction channel while it is waiting for the sharer to complete its transition to its post-auction channel, i.e., once for the sharer's pre-auction channel and once for the shared post-auction channel.

Waiver of Deadline to Commence Shared Operations. A channel sharee may request an additional 90 days to discontinue operations on its pre-auction channel and commence shared operations by requesting a waiver pursuant to section 1.3 of the Commission's rules. Further, channel sharees may request an additional 90 days (for a total of 180 additional days) using the same procedure. Prior to grant, the Media Bureau will evaluate all requests for waiver of the deadline to commence shared operations to determine whether grant will delay or disrupt the post-auction transition schedule. In any event, no channel sharee will be granted a waiver that would extend its deadline to discontinue operations on its pre-auction channel beyond the end of the 39-month transition period.

A station should file such a request for additional time as soon as it becomes apparent that it requires additional time prior to discontinuing operations, and in no event later than 60

days prior to its deadline for discontinuing operations. Such requests must be filed electronically via LMS as a request for a legal STA, include the requisite fee, provide the “good cause” waiver showing, and include a proposed discontinuation date not to exceed 90 days beyond the current date to discontinue operations. Instructions for filing via LMS are contained in Appendix A. A copy of the request should also be e-mailed to: IATransitionlicensing@fcc.gov.

Notice to Viewers. Channel sharees must air notifications alerting their viewers prior to transitioning to their shared channels. These stations must air, at a minimum, either 60 seconds of on-air consumer education PSAs or 60 seconds of crawls per day for 30 days prior to termination of operations on their pre-auction channels. Stations will have the discretion to choose the timeslots for these PSAs or crawls. Transition PSAs and crawls must conform to the requirements set forth in the rules. Stations must include a certification that they have complied with the viewer notification requirements in their online public file within 30 days after beginning operations on their shared channel. Sharer stations are only required to air viewer notifications if they become a reassigned station as a result of the repacking.

Notice to MVPDs. Channel sharing stations must also provide notice to MVPDs that no longer will be required to carry one of the stations because of the sharee’s relocation; currently carry and will continue to be obligated to carry the sharee; or will become obligated to carry the sharee. The required notice must be provided in the form of a letter and must include: (i) date and time of any channel changes; (ii) pre-auction and shared channels; (iii) modification (if any) to antenna position, location or power levels; (iv) stream identification information for channel sharing stations; and (v) engineering staff contact information. If any of this information changes during the time that the sharee station is transitioning from its pre-auction to its shared channel, an amended notification must be sent to MVPDs in the same form as the original notice.

For cable systems, the letter must be addressed to the cable system's official address of record provided in the cable system's most recent filing in the COALS Form 322. For all other MVPDs, the letter must be addressed to the official corporate address registered with the MVPD's state of incorporation. For sharee stations, the notification must be sent not less than 30 days prior to terminating operations on the sharee's pre-auction channel; and for all channel sharing stations (i.e., both the sharer and sharee(s)), not less than 30 days prior to initiation of operations on the sharer channel. Should a station's anticipated termination date change due to an unforeseen delay or change in transition plan, the station must send a further notice to affected MVPDs informing them of the new anticipated termination date. Where COALS includes an email address with the official address of record the letter may be sent electronically. Where the official corporate address registered with the MVPD's state of incorporation includes a form of electronic communications, the notice may be sent electronically.

Impact on Transition

In the Transition Scheduling Adoption Public Notice, the Media Bureau adopted standards it will use to evaluate the impact on the transition of applications filed during the first and second priority windows, applications for extension of time, requests for STAs, and requests for waivers of deadlines to discontinuation operations on pre-auction channels ("applications/requests"). Under these standards, the Bureau will examine the impact that grant of an application/request would have on the overall transition schedule by, for example, evaluating whether the application/request may create new, or affect existing, dependencies. The Media Bureau will view favorably applications/requests that are otherwise compliant with our rules and have little or no impact on other stations' transition schedule. In contrast, the Media Bureau will view unfavorably any application/request that the staff determines would be

likely to delay or disrupt the transition, such as by causing temporary pairwise interference to another station above the two percent authorized in the Transition Scheduling Adoption Public Notice, creating additional linked-station sets, necessitating changes to the construction permit deadlines for other station(s), or likely causing a strain on limited transition resources required by other stations. The Media Bureau will also view applications/requests that would have such adverse effects more favorably if the requesting station demonstrates that it has the approval of all the stations that would be affected, or it agrees to take steps during the transition period to mitigate the impact of the proposed request—such as accepting additional levels of temporarily increased interference, or operating with reduced facilities at variance from its pre-auction licensed parameters.

The Media Bureau will evaluate each request on a case-by-case basis. After evaluating applications/requests, the Media Bureau may modify construction deadlines to enable the grant of a request. To the extent that the Media Bureau denies a request for a station to continue operating on its pre-auction channel past its phase completion date, the Media Bureau noted that stations can explore a variety of options to assist with their post-auction transitions, including the use of temporary channels and interim or auxiliary facilities.

Reimbursement

In this section, the Media Bureau outlines the post-auction reimbursement process for reassigned stations as well as the process by which stations may seek a service rule waiver in lieu of reimbursement. Involuntarily reassigned stations as well as MVPDs that incur costs by continuing to carry such reassigned stations are eligible for reimbursement of their “reasonably incurred” costs. Entities eligible for reimbursement will use FCC Form 2100, Schedule 399 (Reimbursement Form), to submit both their estimated costs and, after incurring the costs, actual

reimbursement requests with documentation substantiating all such expenses incurred. In lieu of receiving reimbursement, reassigned stations may request a waiver of the Commission's service rules permitting the station to make flexible use of the post-auction channel spectrum to provide services other than broadcast television services.

Reimbursement Cost Estimates. Reassigned stations and MVPDs that will incur costs by continuing to carry reassigned stations must file their estimated construction costs for equipment and services no later than 90 days after release of the Closing and Reassignment Public Notice. After reviewing the cost estimates submitted, the Media Bureau will make an initial reimbursement allocation for each reassigned station and MVPD that filed cost estimates. The allocated amount is the dollar amount that stations and MVPDs will have to draw down against as they incur actual expenses. To ensure timely processing, stations must file their cost estimates by the deadline.

Relocation cost estimates and any required supporting documentation must be filed via LMS using the Reimbursement Form. Instructions for filing the Reimbursement Form via LMS are contained in Appendix A. There is no fee for this filing. When filing estimated costs, reassigned stations and MVPDs must identify their current operational equipment as well as the equipment and services they expect to purchase to complete the post-auction channel transition. Cost estimates for such equipment and services can be based either on the predetermined cost estimates identified in the catalog of eligible expenses (Catalog), which is embedded in the Reimbursement Form, or by obtaining price quotes from vendors. Filers must submit supporting cost estimate documentation (such as a price quote from a vendor) for any equipment or service for which there is no predetermined cost estimate in the Catalog, and must provide a detailed explanation if an estimate exceeds the amount listed for the particular equipment or service in the

Catalog. The Reimbursement Form is dynamic; and guides users with prompts that indicate how and when filers must provide explanations and supporting documentation.

Relocation cost estimates must be filed no earlier than the day of release of, and no later than 90 days after release of, the Closing and Reassignment Public Notice.

The Media Bureau will release a separate public notice informing eligible entities of the process for receiving reimbursements at a later date. That public notice will advise eligible entities about the process for providing the Commission with banking information and necessary certifications. In particular, the public notice will detail forms that eligible entities will use to submit information regarding estimates of relocation costs and relocation costs actually incurred, as well as relevant banking information, and the processes for validating such information prior to any reimbursements.

As a step prior to beginning this process, as with all entities doing business with the FCC, a representative from an entity that expects to receive a payment from the FCC – including reassigned stations and MVPDs that incur expenses as a result of the post-auction station repack – must log in to the updated Commission Registration System (CORES) (<https://apps.fcc.gov/cores>) and set up a username and password. Detailed instructions on how to register for an FCC Username Account can be found at https://apps.fcc.gov/cores/html/Register_New_Account.htm. For additional information, please contact the Updated CORES System hotline at: 202-418-4120; or e-mail: CoresPilot@fcc.gov.

Reimbursement Claims for Actual Expenses Incurred. Once reassigned stations and MVPDs incur actual costs as a result of the post-auction channel reassignments, they must file actual reimbursement claims along with any required supporting invoices and other cost documentation using the Reimbursement Form via LMS. Entities may, and likely will, submit

multiple reimbursement requests as they incur expenses throughout the reimbursement period. Because reimbursement payments can be made only during the statutory three-year reimbursement period, the Media Bureau will announce a date prior to the end of the reimbursement period at which time all remaining expense documentation and additional estimates for work not yet completed must be submitted. A station or MVPD must provide a detailed explanation on the Reimbursement Form if an actual cost exceeds the estimated cost for a particular line item. Reimbursement claims will be reviewed to ensure that payment is made only for costs “reasonably incurred” in accordance with Section 1452(b)(4). The Commission has determined that costs incurred during or before the incentive auction that would otherwise be reimbursable are eligible for reimbursement. Although some reassigned stations will have already incurred expenses that may be eligible for reimbursement by the time the Closing and Reassignment Public Notice is released, requests for reimbursement of such costs will not be processed until after the Media Bureau makes an initial allocation for stations and MVPDs that have timely filed reimbursement cost estimates during the 90-day period after release of the Closing and Reassignment Public Notice.

Service Rule Waiver in Lieu of Reimbursement. In lieu of receiving reimbursement for relocation costs, a reassigned station may request a waiver of the Commission’s service rules to allow the station to make flexible use of its reassigned spectrum to provide services other than broadcast television services. Such waivers are subject to all applicable interference protections and will only remain in effect while the licensee provides at least one broadcast television program stream on such spectrum at no charge to the public. The Commission has delegated authority to the Media Bureau to act on service rule waivers on a case-by-case basis. Waivers will be evaluated in accordance with the Commission’s general waiver standard, and must

demonstrate that the applicant will protect against interference and provide at least one broadcast television program stream at no charge to the public, as required by the Spectrum Act. Stations may request that a waiver be granted on either a temporary or a permanent basis.

The Media Bureau will accept service rule waiver requests from reassigned stations otherwise eligible for reimbursement for relocation costs during a 30-day window commencing upon release of the Closing and Reassignment Public Notice. Waiver requests must be filed via LMS in accordance with the instructions in Appendix A, and must include the requisite fee. Waiver requests should also be e-mailed to: IATransitionlicensing@fcc.gov. The Media Bureau will expeditiously process petitions and timely inform the petitioners of the disposition. A licensee must accept the terms of a waiver within 10 days of grant. Instructions on how to accept grant of the waiver will be provided in the written notification sent to the station by the Media Bureau.

Until the Media Bureau grants a waiver request and the station accepts the terms of the waiver grant, a station must meet all requirements to obtain reimbursement (e.g., timely filing the Reimbursement Form). A station that is granted and accepts the terms of a waiver must comply with all transition filings, construction, and notice requirements, and deadlines, unless otherwise instructed by the Media Bureau.

Federal Communications Commission

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